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Programme, Project & Service Management Analysis



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1 Executive Summary

The goal of the Programme, Project and Service Management (PPSM) Analysis was to conduct an analysis of the EFI Programme organisation in order to, in a relatively short time frame, propose improvements to the Programme structure and governance for development, service transition and IT operations.

1.1 Scope of Work

The scope of the PPSM Analysis only included the EFI Programme; with a primarily focus on the processes, procedures and tools within the EFI Programme. Throughout the report, findings are separated between;

- EFI Programme: referring to the SKAT organisation working on the System (EFI and DMI), see “Figure 4: EFI Organisation” for reference
- Projects: referring to Delivery Tracks (“Leverancespor”)

The PPSM Analysis was limited to the situation within the EFI Programme at the time of the analysis (March-May 2015). No effort was spent investigating or understanding historic events and how the organisation, processes and tools have evolved over time. The report can thus not be used to conclude whether or to what extent any of the parties involved in the programme execution can be held legally responsible for their involvement in the project.

The PPSM Analysis did not include the way the suppliers operate internally, their organisation, processes or tools. Only the interface and collaboration between the EFI Programme and the suppliers were included in the analysis. The report does not include a legal review or an assessment of the fulfilment of contractual obligations under the EFI and DMI contracts. In relation to the supplier collaboration, the primary objective was to determine whether there were defined and documented processes and transition points between the EFI Programme and the suppliers to manage the activities and deliverables within the Programme.

The overall objective of the PPSM analysis was not to create a plan for how the EFI Programme could mature across all processes and capabilities, but rather to focus on the agreed areas. Furthermore, it was to provide a recommendation with improvement areas necessary to reach a level that meet acceptable standards (based on industry best practices) in the areas agreed to be in scope of the detailed analysis.

The consequences and recommendations presented in the report are based on our experiences delivering large Development Programmes and Application Maintenance of complex solutions.

After a new organisation was introduced in the middle of May 2015; the situation within the EFI Programme has changed. These organisational changes have not been reflected in the PPSM Analysis since the analysis was completed before the re-organisation.

1.2 Methodology for PPSM Analysis

The PPSM Analysis was completed following a three step approach;

Phase I: High-level Assessment

- Scope confirmation with EFI Programme management at the time of the analysis
- Data collection
- High-level diagnostic with initial findings

Phase II: Analysis and Recommendations

- Detailed analysis (according to agreed scope)
- Present findings and recommendations

Phase III: Execution Roadmap

- Implementation plan
- Each of the phases were followed by an Executive Review, where the phase closure report were presented and reviewed by the management team of the EFI Programme, to confirm findings and agree scope and approach for the next phase.

Data collection

Information was primarily gathered through a series of interviews with key individuals within the EFI Programme appointed by the programme management team at the time of the analysis (see Appendix IV for complete list of persons interviewed).

For the high-level assessment, existing documentation describing processes and procedures was requested for each of the areas in the IT Operating Model. Our review covered 18 key documents, describing: the organisation, existing process and procedures, samples of project initiation documents, release and defect statistics etc. A detailed list of the key documents is available in Appendix II.

Throughout the detailed analysis, some additional documentation was gathered related to the organisation, existing process and procedures, samples of project initiation documents, release and defect statistics, and cooperation manual with suppliers etc. However, number of additional documents that had not already been identified during high-level assessment was limited, supporting our assumption that these does not exist. A detailed list of the key documents is available in Appendix III.

Models used

Accenture's IT Operating Model (ITOM) was used as the foundation for the high-level assessment; this is broadly equivalent to any IT Operating Model on the market. The IT Operating Model asset helps to quickly assess the organisation from top to bottom looking at functions, processes, tools etc.

Accenture's Delivery Method (ADM) for Programme, Project and Service Management (PPSM) was used as a framework for the detailed analysis. The methodology was leveraged to compare the situation within the EFI Programme against industry standards, the gap analysis served as a basis for the improvement recommendations set forth.

1.3 Key Findings from the PPSM Analysis

The findings from the PPSM high-level assessment indicates that many of the "standard" IT processes are in place in the EFI Programme, however at a low level of maturity:

- Based on input throughout the interviews with team representatives (see Appendix IV), our conclusion is that the roles and responsibilities within the EFI Programme are not formalized, documented and communicated
- Throughout the analysis, we have only been able to identify a limited number of IT processes and procedures defined and documented
- As a result of the state of the System (EFI and DMI), the commercial situation with the suppliers is complex (particularly with Konsortiet). We have not been able to find evidence that indicate that there is a common understanding of defined acceptance criteria for deliverables and handover points

Our overall conclusion is that many activities are informal and reactive in nature rather than proactive, standardized and controlled in advance.

Structure (Operating Model and Governance)

The teams are set up as a matrix organisation, with an informal team structure and allocation to one or more projects. An overview of the organisation structure was presented by Programme Management, however we have not been able to find individual team charters with roles, responsibilities and interfaces clearly defined and documented. As a result, our conclusion is that the teams are primarily managed on an informal basis, where individuals are assigned to specific tasks based on current priorities.

Based on interviews with the EFI Programme management our conclusion is that there are a number of regular governance forums established, but overall there is a lack of clear leadership and documented escalation paths, as well as traceability to decisions between the EFI Programme and business representatives and how risks and issues are raised and mitigated.

We have not been able to find any documented split of roles and responsibilities between the EFI Programme and the suppliers, apart from formal contracts signed between the parties. The System went live September 2013 without having full functionality; this has led to a complex commercial situation. SKAT is of the opinion that the System (particularly EFI) has not been delivered in accordance to the contract. Based on interviews related to Release, Defect and Incident Management as well as Supplier Management, our understanding is that, the EFI Programme cannot fully control the supplier as a result of this. For example, SKAT prioritizes Defects and Incidents according to agreed severity categorization, but final prioritization between Defects and Incidents of the same severity are made by suppliers. SKAT is only informed on the day of deployment, what has been included in the week's release.

Processes and Procedures

The guidelines for project managers are documented in “EFI Governance”, presenting three mandatory documents for a project (Project Initiation Document (PID), weekly status report, closure report). To our understanding there is no process for managing and approving changes in scope, timeline or estimate of projects. The PIDs are continuously updated, without traceability to the original scope approved.

Throughout the analysis, we have not been able to identify documented processes or procedures for most of the core IT processes, for example Incident and Change Management, while Release is documented to a limited extent (in the document “Defects, defect management and release management”). Based on this, our conclusion is that documentation on a detailed level does not exist.

We have not been able to identify a formal structure for test execution. Testing is performed both by the suppliers and within the EFI Programme following a weekly release cycle, which in effect means that the EFI Programme test team has 3-4 days to test each release.

Transition to Long Term Operations

There is an ongoing initiative to transition the System to IT Operations, however based on the information we have received in interviews with the project managers of the initiative; all involved parties (SKAT IT Operations, Business Intelligence, Process Owners) have declined to take ownership of the System in its current state due to missing functionality and missing documentation on processes, interfaces, roles and responsibilities.

1.4 Consequences

Lack of clear leadership and direction of the organisation affects the overall ability to deliver the EFI Programme to completion. The informal team structure and the lack of clear governance model leads to uncertainty regarding responsibilities and accountability. In the current state, our observation is that representatives attend meetings across multiple teams to ensure that relevant information is captured and appropriate actions are taken. We have not been able to identify documentation stating business priorities and decisions made by business representatives; hence, there is a limited possibility to verify that the EFI Programme is delivering according to business needs and prioritization.

Our understanding is that the EFI Programme does not have end-to-end control over delivery due to the commercial situation with the suppliers. This has a direct impact on programme delivery; unpredictable scope and timelines as well as inefficient resource management. For example, the EFI Programme is only informed of the final scope of the weekly release on the day of deployment. Our observation, based on interviews with the PMO and project managers, is also that project timelines are continuously revised and postponed, which also supports this conclusion.

Not having a development framework in place covering all aspects of the lifecycle (from Analyse to Deployment) might have an impact on the quality of releases. If components are built without a documented detailed design (validated and approved by the EFI Programme), there is a risk that issues are identified and new faults introduced in a later stage than it would have been otherwise (both test and production).

The impact of not having well defined and documented IT processes with clear roles and responsibilities have resulted in overly complex processes and procedures with multiple teams involved at different levels, as described throughout our interviews with the EFI Programme. The absence of a change management procedure, for example, has a direct impact on the control of the production environment, allowing changes to be performed without formal approval and communication to affected parties.

Given the complexity of the System, in our experience, we would expect significantly longer release cycles with clearly defined test cases and acceptance criteria defined prior to the testing by the EFI Programme begins. Consequently, new functionality deployed has not been regression tested end-to-end, to avoid having issues and new errors introduced to the production environment.

1.5 Recommendations

Our recommendation was that the short term focus should be on establishing the fundamental structures necessary to deliver the EFI Programme to a completion while securing stable operations by:

- Implementing a purpose driven organisation
- Reach a commercial situation where the suppliers drive to fulfil SKAT's goals and objectives
- Implement a release process where business critical functionalities are prioritised while the full development lifecycle is executed to completion
- Assess and close down ongoing projects that do not align to the objectives of the business

The improvement areas identified to support programme stabilization allows the EFI Programme to get the fundamental structures and controls in place, while standardizing the underlying processes allows for quality and consistency in the way the EFI Programme operates.

22 improvement areas were recommended and grouped into five streams:

- Operating Model and Governance
- Supplier Management
- Programme and Project Management
- IT Service Management
- Testing

The areas were prioritised according to Importance (people, outcome and impact on quality) and Urgency (time frame) and set forth an Implementation Plan.

2 Scope of Work

Accenture was asked to conduct an analysis of the EFI Programme organisation in order to, in the short term propose a solid programme structure and governance for development, service transition and IT Operations.

In the Request for Proposal (RFP) Accenture stated that we would:

- Evaluate the governance structure, roles, responsibilities and processes that support decision-making in the EFI Programme to validate that these are there and are being followed
- Evaluate the current programme plan and validate it against the agreed scope, if milestones are set and if the programme plan truly reflects the correct status of the underlying project activities. Verify scope management and risk management on programme level
- Analyse the current stakeholder management activities and processes

Since the above-mentioned focus areas were based on assumptions during the tender process, in agreement with the EFI Programme management, decision was to follow a three-step approach (as described in chapter 3). This allowed us to quickly make an assessment on the end-to-end IT Operating Model, and then determine which areas to include in the detailed analysis.

The overall objective of the PPSM analysis was not to create a plan for how the EFI Programme could mature across all processes and capabilities over time. It was rather to focus on the agreed areas and provide a recommendation with improvement areas necessary to reach a level that meet acceptable standards in the areas agreed to be in scope of detailed Analysis.

The PPSM Analysis was completed during an eight-week period starting in March and officially concluding after approval in the steering committee on June the 2nd, 2015.

2.1 In Scope

The scope of the PPSM Analysis only included the EFI Programme; with a primarily focus on the processes, procedures and tools within the programme.

Throughout the report, findings are separated between:

- EFI Programme; referring to the SKAT organisation working on the System (EFI and DMI), see “Figure 4: EFI Organisation” for reference
- Projects: referring to Delivery Tracks (“Leverancespor”)

The PPSM Analysis was limited to the situation within the EFI Programme at the time of the analysis (March-May 2015). No effort was spent investigating or understanding historic events and how the organisation, processes and tools have evolved over time.

After a new organisation was introduced in the middle of May 2015; the situation within the EFI Programme has changed. These organisational changes have not been reflected in the PPSM Analysis.

2.2 Limitations

The PPSM Analysis did not include the way the suppliers operate internally, their organisation, processes or tools. Only the interface and collaboration between the EFI Programme and the suppliers were included in the analysis. The report does not include a legal review or an assessment of the fulfilment of contractual obligations under the EFI and DMI contracts. In relation to the supplier collaboration the primary objective was to determine whether there were defined and documented operational processes, and transition points between the EFI Programme and the suppliers to manage the activities and deliverables within the programme.

The IT Operating Model (described in chapter 3.1) was used as the foundation for the high-level assessment. Some areas were chosen to be out of scope as they either related to wider SKAT IT, activities that are set out to be completed at the start of a development project, or are the responsibilities of the suppliers. Areas excluded from scope are described in Appendix I.

There has been an executive review with key stakeholders from the management team after each phase of the PPSM Analysis. However, as a result of the organisational changes this was not conducted as efficiently as we set out at the start of the analysis. Significant effort has been spent to socialize the findings and recommendations with new stakeholders and decision makers as their involvement in the new EFI organisation evolved.

3 Methodology

The PPSM analysis was completed following a three step approach:

Phase I: High-level Assessment

- Scope confirmation with EFI Programme management at the time of the analysis
- Data collection
- High-level diagnostic with initial findings

Phase II: Analysis and Recommendations

- Detailed analysis (according to agreed scope)
- Present findings and recommendations

Phase III: Execution Roadmap

- Implementation plan

Each of the phases was followed by an Executive Review, where the phase closure report were presented and reviewed by the management team of the EFI Programme, to confirm findings and agree scope and approach for the next phase.

3.1 IT Operating Model

Accenture's IT Operating Model (ITOM) was used as a framework for the assessment, which is broadly equivalent to any IT Operating Model on the market.

The Operating Model provides a blueprint of an IT organisation as well as an integrated view of how IT services should be provided based on industry standards. Having a clearly defined IT Operating Model in place allows organisations to drive for improvement in IT service quality, agility and cost at the same time.

The IT Operating Model asset helps assess the organisation from top to bottom looking at functions, processes, tools etc.

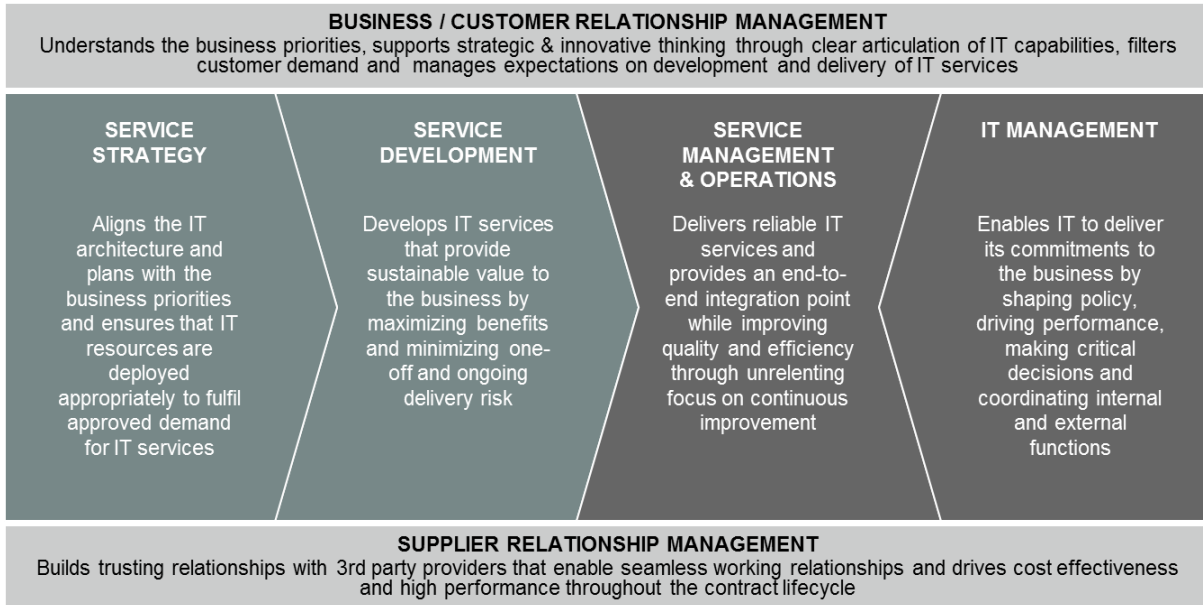


Figure 1: IT Operating Model

The assessment of the EFI Programme focused on Solution Delivery, Service Transition as well as Service Management and Operations. Since IT Business Relationship Management, IT Management and Supplier Relationship Management are related to the wider IT Organisation and not to specific programs or projects.

3.2 Accenture Delivery Method for PPSM

Accenture Delivery Method (ADM) for Programme, Project and Service Management (PPSM) was used as a framework for the detailed analysis. This is a comprehensive programme and project management methodology, which serves as starting point for all of Accenture’s deliveries.

Throughout the detailed analysis, ADM for PPSM was leveraged to compare the situation within the EFI Programme against industry standards, this gap analysis served as a basis for the improvement recommendations set forth.

The below figure visualises the top level of the methodology.



Figure 2: ADM for PPSM

Each of the functions within the methodology contains a detailed description of roles and responsibilities, process steps and procedures, as well as related tasks and expected work products.

4 Phase I: High-level Assessment

4.1 Purpose

The purpose of the high-level assessment was to quickly (within 2 weeks) gain an overview and high-level understanding of the current situation within the EFI Programme; its' organisation, processes and tools.

The findings from the high-level assessment were used to define and agree the scope for Phase II: Analysis and Recommendations.

4.2 Approach

During this phase, the IT Operating Model (described in chapter 3.1) was used to make a high-level assessment of the IT capabilities within the EFI Programme.

The high-level assessment was primarily based on input through interviews with the EFI Programme management and one to one meetings with representatives from each of the teams in the programme (see Appendix IV for complete list of interviews).

Existing documentation describing processes and procedures were requested for each of the areas in the IT Operating Model. Our review covered 18 key documents, describing; the organisation, existing process and procedures, samples of project initiation documents, release and defect statistics. A detailed list of the key documents is available in Appendix II. The documents we have not received were assumed to not exist.

The phase was concluded with an executive review with the EFI Programme management to validate findings and agree scope for the Phase II: Detailed Analysis.

4.3 Findings and Consequences

The findings from the PPSM analysis indicates that many of the "standard" IT processes (as defined in the IT Operating Model) are in place in the EFI Programme, however at a low level of maturity:

Based on input from interviews with Programme Management team (see Appendix IV), our conclusion is that the roles and responsibilities within the EFI Programme are not formalized, documented and communicated.

Throughout the analysis, we have only been able to identify a limited number of IT processes and procedures defined and documented.

As a result of the state of the System (EFI and DMI), the commercial situation with the suppliers is complex (particularly with Konsortiet). We have not been able to find evidence that indicate that there is a common understanding of defined acceptance criteria for deliverables and handover points.

Our overall conclusion is that many activities are informal and reactive in nature rather than proactive, standardized and controlled in advance.

4.3.1 Organisation and Governance

The teams are set up in a matrix organisation, with an informal team structure and allocation to one or more projects. An overview of the organisation structure was received from Programme Management, however we have not been able to find individual team charters with roles, responsibilities and interfaces clearly defined and documented. As a result, our conclusion is that the teams are primarily managed on an informal basis, where individuals are assigned to specific tasks based on current priorities.

Based on interviews with Programme Management team, we have identified a number of regular meetings conducted; within the EFI Programme, with business representatives as well as reporting towards the Steering committee. However, we have not been able to identify any documentation related to the governance structure; containing participants, expected input and output or formal Minutes of Meeting presenting decisions from the meetings.

4.3.2 IT Operating Model

Below picture, visualises the findings on a high-level for each of the areas assessed.

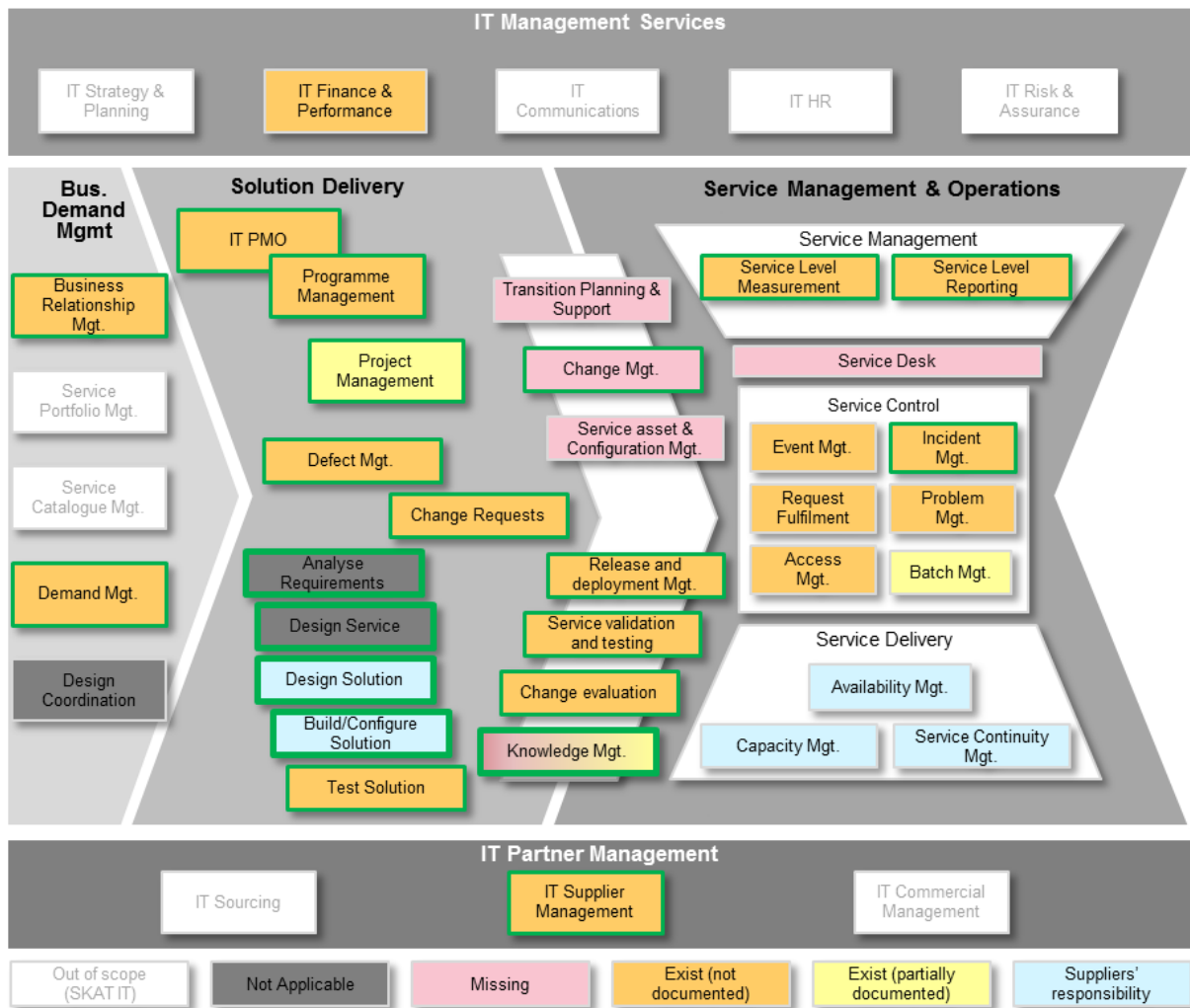


Figure 3: IT Operating Model - high-level assessment

* Indicates that information is based on interviews with representatives from the EFI Programme, interview area is included (see Appendix IV for further details). No documentation has been provided that contradict these findings. Where relevant documentation has been provided, these are also referenced.

Area	Key Findings	Consequences
Financial Management	<p>Budget resides within the EFI Programme that has mandate to make decisions about expenditures.* (Interview: Programme Management)</p> <p>Time registration is only done on EFI Programme level (only differentiating between development and a few activities within operations) (Interview: Financial Management) (Document: time registration report).</p>	<p>There is a risk that the budget is not spent according to business priorities.</p> <p>EFI Programme management does not have insight and control of how much time (and budget) is spent on specific activities.</p>
Business Relationship Management	<p>Current business engagement is based on informal relationship between the EFI Programme and business. Multiple points of contact exist between the programme and the Business* (Interview: Governance Model).</p>	<p>There is no structure in place to capture the long-term strategy and vision of the business. Requirements and needs are captured informally on an ongoing basis, affecting the EFI Programme's ability to have a long-term plan and focus.</p>
Demand Management	<p>Demand is captured through weekly meetings between the EFI Programme and the business. Outcome from these discussions are used as an input for prioritization of cases in both QC and ITSM/Remedy* (Interview: Programme Management and Governance Model).</p>	<p>The lack of formalized process to capture the business' needs limits the possibility to trace the EFI Programme activities to business priorities.</p>
Supplier Management	<p>The System went live 1,5 years ago, which has led to a complex commercial situation. SKAT is of the opinion that the System (particularly EFI) has not been delivered in accordance to the contract* (Interview: Supplier Management).</p>	<p>SKAT cannot determine the scope of a release, since all outstanding defects should have been / be resolved by the supplier.</p> <ul style="list-style-type: none"> • As a result, individual project managers are having discussions with the supplier to drive the completion of their project. • Hence, delivery from suppliers does not necessarily meet business priorities.
IT PMO	<p>There is a PMO in place, but it's missing clear leadership and lacks mandate to manage progress and implement structures (processes) to support a successful delivery of the EFI Programme* (Interview: Programme Management and PMO) (Document: PMO action list (aktionsliste) and task list (opgaveliste)).</p>	<p>The necessary structure to support a programme of this size and complexity has not been established, ultimately impacting the quality of output from individual projects, progress and visibility of the overall project portfolio.</p>
Programme Management	<p>There is no overall programme plan in place presenting the current status accurately and prioritization between projects and initiatives across the EFI Programme (Interview:</p>	<p>Projects are re-scheduled and re-scoped continuously without clear visibility of the changes.</p>

	PMO) (Document: Main time schedule (Hovedtidsplan)).	<ul style="list-style-type: none"> Projects with lower priorities might be allowed more resources and budget than high priority projects.
Project Management	The project framework in SKAT is not implemented and used within the EFI Programme, since the programme was started before this was defined. As a result, there is no defined and documented project framework, which the project managers within the EFI Programme are expected to deliver according to. Minimum level of expectation is three mandatory documents (Project Initiation Document (PID), status report and closure report). (Interview: PMO) (Document: EFI Governance).	Projects are not delivered according to a standard development lifecycle (Analyse, Design, Test, Build and Deploy). There is no gate keeping between phases, ensuring that the final product meets the quality requirements. As a result, issues are identified and new faults introduced later than necessary (both in test and production).
Defect Management	There is no clear separation between defects and incidents. Overall intent is to have defects registered in QC while incidents are registered in ITSM. However, there are cases that are documented in both tools.* (Interview: Release Management and Defect Management) (Document: Defects, defect management and release management).	<p>Incidents are resolved instead of defects impacting delivery of both projects and predictability for finalizing the EFI Programme.</p> <p>There is a risk that urgent incidents in production are not addressed at the benefit of fixing defects.</p>
Requests for Change	Requests for changes are mainly raised through informal channels (for example emails) and are handled on a case-by-case basis. There are also a number of lists, in excel and on SharePoint containing change requests.* (Interview: System Owners) (Source: EFI Programme SharePoint).	Without a formalized and documented process to capture requests for change, there is no means for prioritization. Hence, there is a risk that system changes necessary to support the business are overlooked while changes with lower priority are resolved.
Test Solution	<p>Testing is performed both by the suppliers and by the EFI Programme following a weekly release cycle. Effectively this means that the EFI Programme's test team has 3-4 days to test each release.</p> <ul style="list-style-type: none"> There is no formal structure for the execution of the test phase (Test cases in QC is used to varying degree), nor is acceptance criteria defined for when test activities are transitioned from suppliers to the EFI Programme.* (Interview: Test team) (Document: Defects, defect management and release management). 	<p>Given the complexity of the System, in our experience, we would expect significantly longer release cycles with clearly defined test cases and acceptance criteria that are defined prior to the testing by the EFI Programme begins.</p> <ul style="list-style-type: none"> Consequently, new functionality deployed has not been regression-tested end-to-end, to avoid having issues and new errors introduced to the production environment.
Transition Planning & Support	Currently there is no preparation for transitioning a new release to the system owner group in the EFI Programme. An assessment is done retroactively in Change Evaluation.* (Interview: Release Management and Processes and Communication).	Since the system owners are part of the EFI Programme this has limited consequence in the short term. However, in order to gradually increase the separation between development and operations this task becomes more important.
Change Management	Formally, all changes that are introduced into production environment come through the weekly releases. There is no separate	There is limited visibility to what is going on in the production environment. Changes influencing end users such as

	<p>process to manage emergency changes into production (for example to resolve high priority incidents). Standard changes such as changes to matrices and tables, as well as data cleansing activities (that is not included in a release) are not documented, approved and communicated in advance.* (Interview: Release Management and Incident Management).</p>	<p>changes to matrices and data cleansing activities can be performed without notice, approval or communication to affected stakeholders.</p>
<p>Release and Deployment Management</p>	<p>Weekly releases are deployed into production after a go/no-go decision made by EFI Programme management. Releases are created based on the backlog in QC (defects) and ITSM (incidents).</p> <p>We have not been able to identify formal criteria for the go/no-go decision to deploy releases.* (Interview: Release Management and Test team) (Document: Defects, defect management and release management)</p> <p>The suppliers do not have the ability to branch the releases, which means that there is an “all or nothing” deployment of the release.* (Interview: Release Management and Test team).</p>	<p>Since there is no clearly defined process with roles and responsibilities, the decision matrix for a go/no-go decision is unclear. Risk is that decisions are made without the right authority.</p> <p>Since it is not possible to exclude components of a release, the acceptance of the deployment is based on an informal risk assessment whether the system is better or worse than before. Consequently, there is a risk that the System (EFI and DMI) is gradually moving into a worse state than before.</p>
<p>Service Validation & Testing</p>	<p>Service validation is primarily done in the production environment through the “1-2-5” verification. This is a staged introduction and verification of the deployed functionality testing it on a limited number of cases before full use in production.* (Interview: Programme Management and Test team).</p>	<p>Verifying solutions and functionality in the production environment is a high-risk endeavour. There are potentially significant consequences and resulting clean-up activities if the deployed functionality is faulty.</p>
<p>Change Evaluation</p>	<p>Change evaluation is primarily limited to “1-2-5” testing.* (Interview: Release Management)</p> <p>As part of release management KPIs are captured to understand how many errors and new defects were identified during the test cycle. (Interview: Release Management) (Source: release statistics).</p>	<p>There is no clear visibility to the success or failure of a release, whether new incidents were introduced or how much the functionality deployed helped to support the production.</p>
<p>Knowledge Management</p>	<p>After release has been accepted for production, there is a review together with business to assess need for end-user communication.* (Interview: Processes and Communication)</p> <p>Within the EFI Programme, there is a lack of structure of the information on the SharePoint and there is no formal document governance procedures with version control and approvals.* (Source: EFI Programme SharePoint).</p>	<p>Communication towards the end-users is a high priority, and consequently the information sharing seems to be successful.</p> <p>Time and effort is spent on looking for documents and information, and the documents found might end up not being the latest version.</p>

Service Level Measurement	<p>No Service Levels are agreed end-to-end for the System.* (Interview: Supplier Management)</p> <p>There are service levels defined in the maintenance agreement, but due to the commercial situation and the current state of the systems these are not enforced.* (Interview: Supplier Management).</p>	<p>Service Levels have not been agreed with the business, hence it is impossible to know whether the current System meets the business requirements or not.</p> <p>SKAT does not have the means to penalize the suppliers (enforce penalties as stipulated in the maintenance contracts) if the suppliers do not meet the agreed service levels.</p>
Service Level Reporting	<p>There are monthly reports from the suppliers capturing the agreed SLAs and KPIs.* (Interview: Supplier Management) (Document: Supplier's monthly report).</p>	N/A
Event Management	<p>Event management is primarily a responsibility of the suppliers. Some activities are also performed by the system owner group, such as monitoring of event logs.* (Interview: System Owners) (Document: EFI Vagten).</p>	N/A
Incident Management	<p>Incident process is not documented. Roles and responsibilities are unclear; there are multiple stakeholders and teams involved in incident resolution.* (Interview: Incident Management)</p> <ul style="list-style-type: none"> • Coordination time is spent on identifying which supplier is responsible for the incidents.* 	<p>Incidents are not addressed as quickly and efficiently as possible restoring the services to normal.</p>
Request Fulfilment	<p>Process for request fulfilment is not documented and there is not a catalogue defining standard requests. Fulfilment seems to be done on an ad hoc basis by system owners and technical architects.* (Interview: System Owners)</p>	<p>The absence of a request fulfilment process has limited criticality to ongoing operations given the current state of maturity in the organisation.</p>
Problem Management	<p>Requirements for when vendors are expected to create Root Cause Analysis is defined in the contract, however, in reality Problem Management seldom occurs due to time constraints.* (Interview: System Owners).</p>	<p>Reoccurring incidents and trends might not be addressed and continue to cause issues in the production environment.</p>
Access Management	<p>Access management is not documented and there are EFI Programme members and individuals from the suppliers that have access to make changes in the production environment without the formal authority to do so. (Interview: System Owners).</p>	<p>There is a risk that changes are made in the production environment without the competence and authority to do so.</p>
Batch Management	<p>Batch management is a split responsibility between the system owner team and the suppliers. The guidelines for the system owners are documented to some extent.* (Interview: System Owners) (Document: EFI Vagten).</p>	N/A

Table 1 Overview over Key Findings

4.4 Recommendations

Recommended scope for the detailed analysis (Phase II) was to focus on the operating model and governance, the core IT processes (necessary to stabilize operations and make the organisation more proactive rather than reactive) as well as start defining the requirements for transition to “Steady State” (e.g. moving operations to SKAT IT Operations). The recommended seven focus areas were grouped into three main categories:

Structure:

- Operating Model (e.g. division of responsibilities) and Governance
- Supplier Management (Roles and Responsibilities against contract)

Stabilization (Processes):

- Programme & Project Management
- Defect & Release Management
- Incident & Change Management
- Test Approach & Methodology

Transition to Long Term Operations:

- Define detailed acceptance criteria to transition the system responsibility to IT Operations once the System has been developed

5 Phase II: Analysis and Recommendations

5.1 Purpose

The purpose of the second phase, Analysis and Recommendations, were to make an in-depth analysis of the seven prioritised areas agreed after the high-level assessment.

The outcome of the phase was to provide improvement recommendations related to each of the areas. As well as a recommendation regarding prioritization between the initiatives based on impact and urgency.

5.2 Approach

During this phase Accenture’s Delivery Method for Programme, Project and Service Management (described in chapter 3.2) was leveraged to baseline the current ways of working against industry standards. The recommended improvements were based on this gap analysis. The prioritization was based on two criteria:

- Importance (people, outcome, quality)
- Urgency (timeline)

Each of the improvement recommendations were assessed and scored on a scale from 1 to 5 in each criteria making up the final prioritization.

The analysis and recommendations were primarily based on input from interviews with representatives from the EFI Programme appointed by programme management at the time of the analysis.

In addition to the interviews our review covered additional documentation related to; the organisation, existing process and procedures, samples of project initiation documents, release and defect statistics, and cooperation manual with suppliers etc. A detailed list of the key documents is available in Appendix III. There were a limited number of additional documents identified for the detailed analysis compared to the high-level assessment. This confirmed our original assumption that the documentation, which is standard documentation - which we would expect to be in place for a programme this size and complexity, does not exist.

The phase was concluded with an executive review with the management team to validate and agree the improvement recommendations and prioritization between these.

5.3 Findings

The detailed analysis confirmed the key findings from the high-level assessment. In some areas, additional findings were discovered as presented in this section.

Below is an organisation chart presenting the EFI Programme at the time of the PPSM Analysis (e.g. March-May 2015):

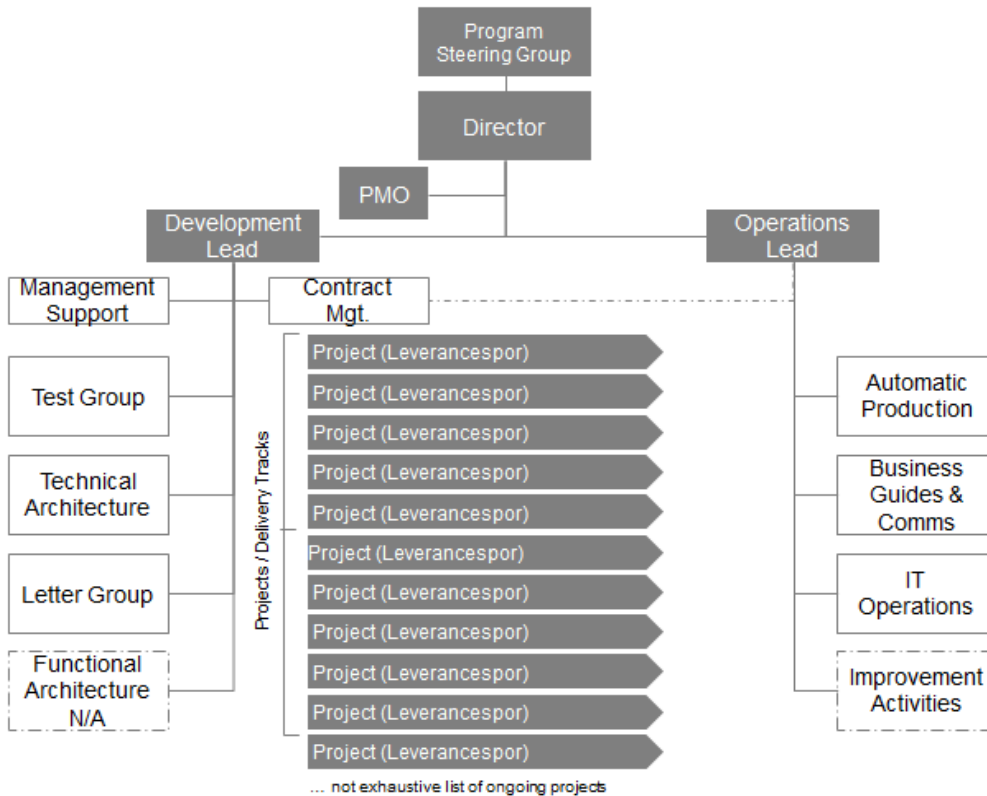


Figure 4 EFI Programme Organisation

Operating Model and Governance

The findings described in the high-level assessment, was confirmed in further interviews and observations throughout the detailed analysis.

Through interviews with the PMO, Project Managers and Test team, our conclusion is that daily activities are to some extent prioritised based on the delivery from Suppliers. Team members' work is frequently adjusted to accommodate to what has been developed and included in a weekly release. A resource-planning tool (that was demonstrated) contains the resource forecast for the coming two weeks. However, final allocation is agreed between the project managers and Test team once the content of the weekly release has been disclosed by the supplier. The resource-planning tool is, according to the PMO, only updated sporadically to reflect the actual allocation.

IT Operations team (system owners) are newly appointed and does not have the required knowledge of the System to deliver IT operations independently without the support from development team in the EFI Programme. This has been confirmed both within the EFI Programme (including system owners), and with the organisational lead within SKAT IT Operations. Hence, it is important to gradually build the necessary skills to support the System before moving to SKAT IT Operations.

Based on interviews with the EFI Programme Management our conclusion is that there are a number of regular governance forums established, but overall there is a lack of clear leadership and documented escalation paths, as well as traceability to decisions and how risks and issues are raised and mitigated. This has also been confirmed by team members at different parts of the EFI Programme, for example the Project Managers during high-level assessment.

Supplier Management

We have not been able to find any documented split of roles and responsibilities between the EFI Programme and the suppliers, apart from formal contracts signed between the parties. The system went live September 2013 without having full functionality; this has led to a complex commercial situation. SKAT is of the opinion that the System (particularly EFI) has not been delivered in accordance to the contract. Based on interviews related to Release, Defect and Incident Management as well as Supplier Management, our understanding is that, the EFI Programme cannot fully control the supplier as a result of this. For example, SKAT prioritizes Defects and Incidents according to agreed severity categorization, but final prioritization between Defects and Incidents of the same severity is made by suppliers. SKAT is only informed on the day of deployment, what has been included in the week's release.

There are indications from the persons interviewed (within Testing and Release Management) that the quality delivered by the suppliers is not meeting the EFI Programme's expectations. This is also supported by the defect and release statistics. The number of defects in the backlog is gradually increasing, while almost 1/3 of the defects "resolved" fail during the EFI Programme test phase.

In the maintenance contracts, service levels are defined, and the suppliers are providing monthly reports capturing most of the agreed service levels. Based on interviews around Supplier Management, our understanding is that as a result of the commercial situation, and the ongoing dispute whether the System has been delivered or not, the requirements

defined in the maintenance contracts have not been fully implemented. For example, the cooperation manuals between SKAT and the suppliers is not fully in effect.

There are approximately 110 persons allocated to the EFI Programme (according to resource lists obtained), managing ca. 25-35 resources from the supplier (exact number has not been disclosed during the analysis phase, indications are that SKAT does not have this information). Based on our experience, in an outsourced situation similar to this, the numbers would be reverse.

Programme and Project Management

The guidelines for project managers are documented in “EFI Governance”. This document describes project governance (within the EFI Programme and towards the steering committee), and the three mandatory documents Project Initiation Document (PID), weekly status report and closure report. Based on our experience we would expect a more rigid framework around the projects covering each phase of the development life cycle (Analyse, Design, Build, Test and Deploy) especially given the level of complexity of the System and that the System is already used in production.

Based on interviews with the Programme Management as well as PMO, our conclusion is that there is no official process for managing and approving changes in scope, timeline or estimate of projects. The Project Initiation Document (PID) is continuously updated, without traceability to the original version, hence it is impossible to determine what changes has been made during the lifecycle of the project. The PIDs uploaded and available on the EFI Programme SharePoint have been reviewed, which confirms this conclusion.

The main programme plan, “Hovedtidsplan”, is updated monthly by the PMO, but since the original time line and scope is not used as a baseline, the programme plan only present the current status without reference to changes within the EFI Programme. The plan does not provide insight to priorities or how resources are allocated across the EFI Programme.

Risks and issues are to be reported for each project according to the guidelines in “EFI Governance”, stating that risks and issues are to be raised in the weekly status reports. Based on interviews with project managers in the EFI Programme, our understanding is that, there is a lack of transparency how and if these are escalated to the steering committee and mitigating actions agreed and executed.

Defect and Release Management

There is an overview of defect and release management process documented in “Defects, defect management and release management”, however the description is kept at a high-level without clearly defined tasks and assigned roles and responsibilities. Weekly releases are deployed into production after a go/no-go decision made by the EFI Programme team. Throughout the analysis, we have not been able to identify a formal set of criteria to make the go/no-go decision. During interviews with the Test team it has been described that due to the way the code is structured in development, a go/no-go decision covers the entire release, it is not possible to separate different components in the release and only deploy selected parts.

Based on information gathered during interviews related to Release, Defect and Incident Management as well as Testing; defects and Incidents are prioritised by EFI Programme

(in ITSM and QC), but the suppliers have ultimate control of what is finally included in the release as a result of the commercial situation. As described in the document “Defects, defect management and release management”, the scope of the release is communicated by the supplier a couple of days prior to the deployment to the integrated test environment, however a new release note is communicate the day of deployment presenting the final scope (these tend to differ some extent).

As far as we have been able to identify, there are no metrics collected on how the releases helps stabilize the System, such as increased productivity in production.

Incident and Change Management

Throughout the analysis, we have not been able to identify documented processes or procedures for most of the core IT processes, for example Incident and Change Management. Based on this, our conclusion is that documentation does not exist.

The “Supportkæde” (high-level incident flow) is documented indicating a complex support structure with multiple layers of involvement from different stakeholders. A high-level process is described in the “Fælles Samarbejdshåndbog” (supplier cooperation manuals) but our understanding from interviews with Supplier Management; this has not been approved and implemented.

Based on information captured in our interviews within Release and Incident Management, our understanding is that most changes that are introduced into production environment come through the weekly releases. There is no separate process to manage emergency changes into production (for example to resolve high priority incidents). Based on our interviews with the Programme team, Standard changes such as changes to matrices and tables, as well as data cleansing activities (that is not included in a release) are not documented, approved and communicated in advance.

Test Approach & Methodology

We have not been able to identify a formal structure for test execution. There is a Testing Strategy, which has not been updated since 2012. This still has some relevance according to the EFI Programme Test team; however this has not been confirmed throughout the analysis phase.

There are test cases documented in QC. Based on interviews with the Test team, our understanding is that these are used to a varying degree when performing tests of the weekly releases. Testing is performed both by the suppliers and within the EFI Programme following the weekly release cycle, as described in the “Defects, defect management and release management” document, the Test Team within the programme has 2-4 days to test each release. We have not been able to identify formal acceptance criteria defined for testing activities are handed over from the supplier to the EFI Programme for testing of the weekly release. Test environments are not sufficiently integrated; hence, it is not possible to execute end-to-end tests before deployment to production. As a result, the “1-2-5” testing is required to validate the functionality in the production environment.

Based on our interviews with the Test team, our conclusion is that there are no documented procedures in place for housekeeping activities related to environment and refresh of test data.

Transition to Long Term Operations

There is an ongoing initiative to transition the System to IT Operations, however based on the information we have received from interviews with the project managers of the initiative; all involved parties (SKAT IT Operations, Business Intelligence, Process Owners) have declined to take ownership of the System in its current state due to missing functionality and missing documentation on processes, interfaces, roles and responsibilities.

High-level acceptance criteria have been defined (described in the document "Overdragelse aktiviteter og dokumenter"), but not agreed and approved by the receiving organisations.

5.4 Consequences

The informal team structure and the lack of clear governance model leads to uncertainty related to responsibilities and accountability. In the current state, our observation is that, meetings are attended by representatives across multiple teams to ensure relevant information is captured and appropriate actions taken.

Since we have not been able to identify business priorities that are formally documented and approved, there is a limited traceability to verify that the EFI Programme is delivering according to business needs. Due to the unclear process and lack of prioritization, project managers have direct access to the supplier to push their agenda (e.g. progress of the project). Consequently, system "fixes" (defects and incidents in EFI and DMI) might not always be based on business criticality.

It seems as though the EFI Programme does not have end-to-end control over delivery, due to the commercial situation with the suppliers. This has a direct impact on EFI Programme delivery; unpredictable scope and timelines and inefficient resource management.

Not having a development framework in place covering all aspects of the lifecycle (from Analyse to Deployment) might have an impact on the quality of releases. If components are built without a documented detailed design (validated and approved by the EFI Programme), there is a risk that issues are identified and new faults introduced in a later stage than it would have been otherwise (both test and production).

The consequence from not having a detailed structure for time reporting is that the EFI Programme management does not have insight and control of how much time (and budget) is spent on specific activities. Having this information would allow the management to adjust the resource allocation to business priorities as well as provide the means to follow up on a business case (value realization from the project).

The impact of not having well defined and documented IT processes with clear roles and responsibilities has resulted in overly complex processes and procedures with multiple teams involved at different levels. The absence of a change management procedure has a direct impact on the control of the production environment, allowing changes to be performed without formal approval and communication to affected parties.

Given the complexity of the System, in our experience, we would expect significantly longer release cycles with clearly defined test cases and acceptance criteria defined prior to the testing by the EFI Programme begins. Consequently, new functionality deployed has

not been regression-tested end-to-end, to avoid having issues and new errors introduced to the production environment.

5.5 Recommendations

Operating Model & Governance

Our recommendation is to adjust the organisation structure to drive business value rather than being reactive to the suppliers' delivery. This is also heavily dependent on getting to a stable commercial situation with the suppliers, where the EFI Programme can prioritize and plan the activities and deliverable for the coming period.

Together with the organisation, a Governance model with clear separation between Operative, Tactical and Strategic levels and agreed escalation paths, should be defined and implemented. Each forum should have a defined agenda, input to the meeting (reports, KPIs etc.) and an output (Minutes of meeting with agreed actions, risks and issues as well as mitigation plans).

Based on industry standard there should be a clear separation between the development (responsible for implementing missing functionality) and IT Operations (ultimately responsible for stability of the production environment) organisation. The separation between the two organisations will enforce control of the system while allowing resources to work in a more proactive and planned manner focusing on their scope of work. This division of responsibility should only take place once the criteria defined in "Transition to Long-Term Operations" (see section below) have been fulfilled. Key for achieving this goal is to ensure that the system owners have received sufficient technical training related to the System to independently deliver IT Operations. Therefore, we recommend that a training plan is created and executed to enhance the overall knowledge levels.

The overall goal is to at some point handover the System to SKAT IT, Business Intelligence (BI) and the Business. In order to reach a position where the EFI Programme can be closed and operational responsibility is handed over to the respective teams the acceptance criteria needs to be defined on a detailed level and agreed between all parties. This is a necessity in order to come to a position of "steady state".

Supplier Management

The commercial situation should be addressed in order to achieve the goal of the EFI Programme. There should be a clear separation between development and IT operations that are enforced with two separate teams from the suppliers. This to ensure that missing functionality is developed, while at the same time securing stable operations in production.

It is important to get to a position where suppliers deliver according to SKAT's requirements, processes and procedures. From an IT Operations perspective, this means to update, and align the cooperation manuals ("Samarbejdshåndbog") to meet the contractual obligations. Once agreed and implemented this should set the foundation for the ongoing collaboration between the parties.

Establish a clear governance model with Strategic, Tactical and Operative forums with clear escalation paths. For critical activities where SLAs are not defined, KPIs should be established to monitor contractual obligations.

Programme and Project Management

Our recommendation is to develop and implement a rigid process for how new projects are initiated; this should be supported by a fixed set of criteria to ensure right initiatives are prioritised. Before projects and initiatives are started there should be a business case defined with measurable targets, so that the business value can be assessed after project completion.

Based on our experience we would expect a more rigid framework around the projects following a development lifecycle methodology (from Analyse, through Design, Build, Test and Deploy). Our recommendation is to leverage SKAT's project management framework with clear quality gates for decision points, and adjust and enhance this to meet the EFI Programme needs. As part of the framework, roles and responsibilities should be define and documented (here SKAT IT's standard project role descriptions can be used as a starting point).

Following praxis we recommend to implement a structured process for controlling scope changes, there needs to be traceability between original business case, and changes to timeline and budget. Portfolio management should be implemented to ensure that programme, project and release reporting reflects the "actual" (current) status compared to the original baseline. Differences between planned and actual status should be clearly communicated together with the impact on business case.

We suggest implementing time reporting on a more granular level. This will allow the management team to have insight to actual resource allocation (and budget). Having this information gives the management team the possibility to adjust assignments according to business priorities, as well as follow up on business case defined for a project. The current EFI Programme SharePoint does not have the necessary structure to allow the team members to find relevant documents. Our recommendation is to restructure the SharePoint to enable teams to access the right information at the right time. Old documentation should be archived for reference.

Defect & Release Management

There is a need for a clear separation between Incidents (minimise service disruption) and Defects (implement agreed functionality). A release should be deployed according to a period that allows:

- Optimized Resource management
- Sufficient Testing by supplier and EFI Programme team
- Technical documentation updated with changes
- Business' user manuals created / updated prior to the release

This is not feasible with weekly release cycles. Our recommendation is therefore to implement longer release cycles (allowing sufficient time to analyse, design, build and test solutions, increasing the quality of the final product).

In accordance to industry practice, we suggest to appoint a release manager who is responsible for each release from Analyse, through to Test and Deployment. The release

should be managed and delivered according the project methodology with clear stages and quality gates (as recommended in section for Programme and Project Management).

Our recommendation is to establish a prioritization forum with representatives from business, development and operations where release scope is agreed, planned and scheduled. Metrics should be defined, agreed and monitored to follow up on the outcome of the release and business value achieved.

Incident & Change Management

Our recommendation is to define and document both the incident and change processes. The processes should be described on task level, with clear responsibilities and boundaries between teams (internal and suppliers). The processes for the EFI Programme should be aligned to the processes currently being implemented within SKAT IT.

An Incident Manager and Change Manager should be appointed who has the responsibility to ensure that the process is followed, tickets are correctly assigned and the backlog is under control.

A Change Advisory Board (CAB) should be implemented that controls all changes. No changes should be implemented into production without formal approval after risk assessment and consequence analysis.

Our recommendation is to enforce process compliance by introducing KPI's both internal and towards suppliers. This will allow the EFI Programme to measure efficiency and facilitate for continuous improvements.

Test Approach & Methodology

Our recommendation is for the test team to be an integrated part of the development lifecycle with standard set of deliverables for each phase.

Because of the test strategy has not been revised since 2012 (before the System was deployed to production) our recommendation is to update the strategy, defining which tests should be executed by who, in which environment and when (which phase). As part of the test strategy a detailed analysis should be completed, defining number of environments, level of integration, and data quality required to support the strategy.

As Work Packages (originating from "Model Office") and releases will be developed in parallel, there is a need for a Configuration Management Plan to control the code changes. Our recommendation is therefore to work with the vendors to secure appropriate management.

As a quick fix, to address the current limitation in the test environments, we recommend an analysis to be completed assessing possibility to bring SIT01 and SIT3 up to the same level as SIT02, allowing for more rigid tests in multiple environments.

Our recommendation is to define and implement a process for data management. The short-term solution could be to copy data of SIT02 to SIT01 to have a second environment with "higher data" quality quickly. This possibility should be analysed further.

As a long-term solution, our recommendation is for the EFI Programme to assess the possibility to implement automatic regression testing to continuously control that code changes does not impact any core functionality in the System that has already been implemented.

5.6 Prioritisation

From the seven focus areas during the detailed analysis, 22-improvement areas were identified to enforce structure, stabilization and transition to long-term operations.

Our recommendation was that the short-term focus should be on establishing the fundamental structures necessary to deliver the EFI Programme to a completion while securing stable operations;

Implement a purpose driven organisation.

Reach a commercial situation where the suppliers drive to fulfil SKAT's goals and objectives.

Implement a release process where business critical functionalities are prioritised while the full development lifecycle is executed to completion.

Assess and close down ongoing projects that do not align to the objectives of the organisation.

The improvement areas identified to support EFI Programme stabilization allows the programme to get the fundamental structures and controls in place, while standardizing the underlying processes allows for quality and consistency in the way the EFI Programme operates.

The improvement areas were grouped into five streams;

- Organisation (including Operating Model and Governance)
- Supplier Management
- Programme and Project Management
- IT Service Management
- Testing

The blow figure indicates the prioritisation between the different improvement areas, colour coded according to the streams described above. The detailed prioritization scoring is available in Appendix IIII.

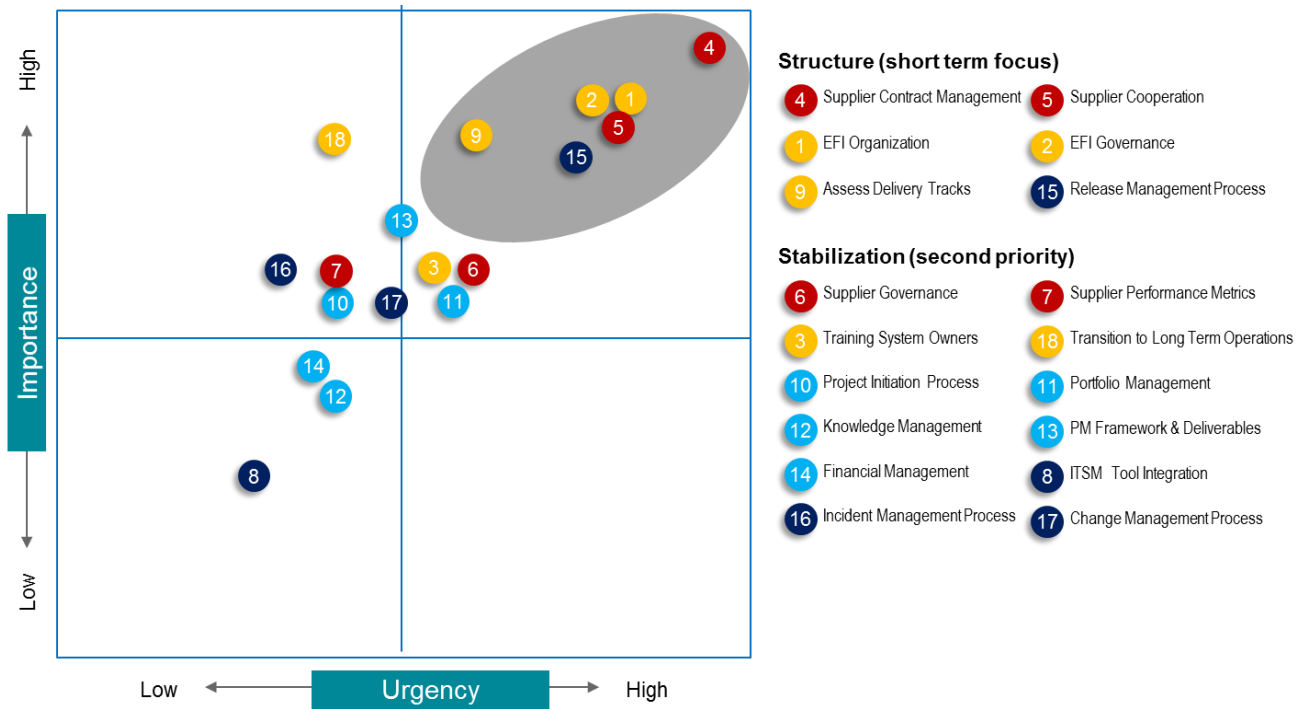


Figure 5: Prioritization Matrix

6 Phase III: Execution Roadmap

6.1 Purpose

The purpose of the final phase was to create an implementation plan based on the agreed improvement areas identified in the detailed analysis. Clarifying scope, budget and timeline for the activities and deliverables recommended to be implemented.

6.2 Approach

The efforts and timelines are primarily estimated based on prior experiences from previous projects similar to this. The estimates are based on a number of assumptions, which are necessary to be fulfilled to achieve the proposed timeline.

Resource planning and staffing of the activities have been defined in an ongoing dialogue with the management team in the EFI Programme.

The phase was concluded with an executive review with the management team to validate and approve the implementation plan before moving into the Execution Phase.

Three reports, one report covering each phase were presented in PowerPoint and approved in the steering committee on June 2nd, 2015.

6.3 Implementation Plan

The implementation plan was defined based on the prioritization matrix created in the Analysis and Recommendation phase.

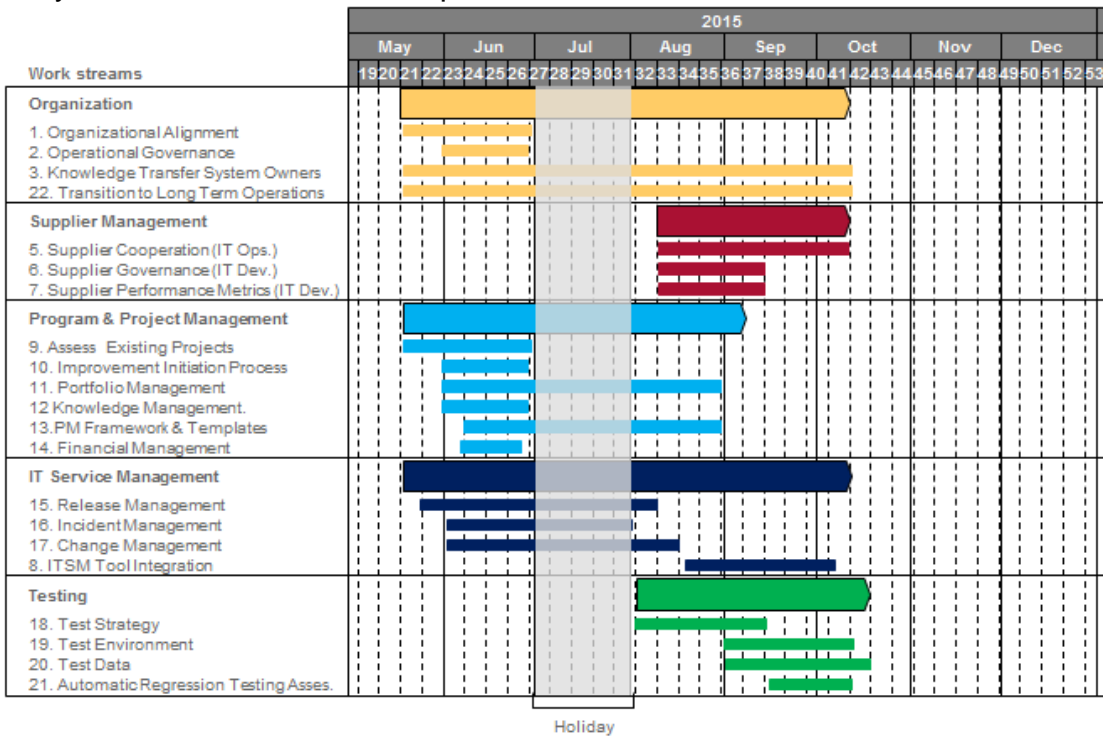


Figure 6: High-level Timeline

The tables below present the deliverables in scope for each of the five streams.

Organisation (including Operating Model and Governance)

Deliverables	Description
Team Charters	<ul style="list-style-type: none"> • High-level overview of key tasks and responsibilities performed by the team • Ownership and responsibilities within different processes (Input / Output) • Interfaces between teams
Role Descriptions	<ul style="list-style-type: none"> • Description of responsibilities and tasks performed by each role in the team • Tailored to specific individuals as needed
Governance Model	<ul style="list-style-type: none"> • Governance Model with clear separation between Operative, Tactical and Strategic levels of governance • Defined escalation paths for each level • Defined Agenda, input to the meeting (reports, KPIs etc.) and an output (Minutes of meeting with agreed actions, risks and issues as well as mitigation plans) for each of the governance forums • Interfaces and governance between IT Development (Inddrivelse Funktionalitet) and IT Operations
Training System Owners	<ul style="list-style-type: none"> • Detailed Training Plan • Plan will include detailed descriptions of areas for further training, schedule for when training will be completed as well as Subject Matter Expert expected to perform training • Execution of the Training Plan
Transition to Long-Term Operations	<ul style="list-style-type: none"> • Define and agree detailed scope of deliverables and activities to be completed for operational acceptance • Manage and support creation of deliverables and activities agreed

Table 2: Deliverables in Scope for Organisation

Supplier Management

Deliverables	Description
Faelles (and specific) Cooperation Manual	<ul style="list-style-type: none"> • Ensure that the existing "Faelles Samarbejdshåndbog" (cooperation manual) is updated and contractually aligned • The cooperation manual describes the operational processes and procedures expected to be delivered as part of the maintenance agreement with the respective suppliers • The cooperation manuals will also include the agreed Governance Model with the respective suppliers • Any contractual deviations specific for one of the suppliers will be regulated in the supplier specific cooperation manuals
Supplier Governance	<ul style="list-style-type: none"> • Governance Model with clear separation between Operative, Tactical and Strategic levels of governance • Defined escalation paths for each level

	<ul style="list-style-type: none"> • Defined Agenda, input to the meeting (reports, KPIs etc.) and an output (Minutes of meeting with agreed actions, risks and issues as well as mitigation plans) for each of the governance forums • Clarify Interfaces and governance forums required to coordinate between Suppliers
Supplier Performance Metrics	<ul style="list-style-type: none"> • Assess contractual SLAs. Define additional KPIs required to manage suppliers' IT Development delivery • Define measurement methods for agreed SLAs and KPIs • Verify possibility to measure SLAs and KPIs using the agreed tools and methods • Perform training for relevant stakeholders

Table 3: Deliverables in Scope for Supplier Management

Programme and Project Management

Deliverables	Description
Assessment of Existing Projects	<ul style="list-style-type: none"> • Define and document a set of criteria to determine whether existing projects should be part the Model Office, IT Development (Release or Improvements Initiatives) or terminated • Assess the existing projects against agreed criteria • Prepare projects to be packaged for handover to new owner, or to be terminated
Improvement Initiative Initiation Process	<ul style="list-style-type: none"> • A description of how ideas for Improvement Initiatives are collected, analysed, matured, prioritised and selected for Initiative to start • Training in the Improvement Initiative Initiation Process, Templates and Guides
Portfolio Management	<ul style="list-style-type: none"> • The Portfolio Management Process will describe how the portfolio (for Releases, Work Packages and Improvement Initiative Projects) should be managed • A description of how the EFI portfolio and EFI Programme is governed is relation to investment, strategic direction, progress of projects, prioritization of projects and escalation
New SharePoint Structure	<ul style="list-style-type: none"> • Restructure SharePoint to enable teams to access the right information at the right time • Establish new structure • Establish governance procedures such as access rights, version control management
Project Framework (Methodology)	<ul style="list-style-type: none"> • An optimized Project Management Framework based on the best from SKAT's own project methodology and industry best practices • A hands-on PM guide including role description, tactical Governance Model on project level, and links to templates
Financial Management	<ul style="list-style-type: none"> • Set up new time registration structure enabling costs to be tracked pr. phase in the individual Improvement Initiative Projects and Releases

Table 4: Deliverables in Scope for Programme and Project Management

IT Service Management

Deliverables	Description
Release Management	<ul style="list-style-type: none"> • A process description of Release Management containing the policies, process steps and KPI's • A release schedule will be defined for different types of changes, with cut off points where releases can no longer be updated
Incident Management	<ul style="list-style-type: none"> • A process description of Incident Management containing the policies, process steps, impact matrix, communication matrix and the KPI's for the EFI Programme. The process description also takes major incident management into account. This work should be based on the current work designed by SKAT IT.
Change Management	<ul style="list-style-type: none"> • A process description of Change Management containing the policies, process steps, change escalations matrix (which defines whether the change belongs to IT Ops or IT Development) and the KPI's for the EFI Programme. This work should be based on the current work designed by SKAT IT
ITSM Tool Integration	<ul style="list-style-type: none"> • Integration between ITSM with the supplier tools for ITSM processes.

Table 5: Deliverables in Scope for IT Service Management

Testing

Deliverables	Description
Redesigned Test Strategy	<ul style="list-style-type: none"> • An update of the Test Strategy for the EFI Programme, reflecting the current situation. The Test Strategy documents the overall strategy for testing the System, technical architecture, and training and performance support and scope. The Test Strategy should also define which tests should be executed by who, in which environment and when (which phase) • The Test Strategy should also include a detailed analysis of what the test environment(s) should be for this type of System and a roadmap for realization • The Test Strategy should also include a detailed analysis of the requirements related to Data and Data quality as well as a roadmap for realization
Test Environment	<ul style="list-style-type: none"> • A Configuration Management Process to clarify the process and infrastructure for moving releases into production throughout the project lifecycle. This will control the code changes and dependencies of the Configuration Items from the different suppliers. The Configuration Management Plan will be closely interlinked with Change Management • Assess the possibility to enhance SIT01 and SIT 03 to be on same level as SIT02. The assessment covers what the effort, duration and cost of upgrading SIT01 and SIT03.
Test Data	<ul style="list-style-type: none"> • A Data Management Plan that outlines what data and how data will be handled during development and after deployment. The Data Management plan is the plan to provide the data necessary for testing. It also addresses metadata generation, data preservation, masking of data and analysis before

	<p>the project begins; this ensures that data are well-managed in the present, and prepared for preservation in the future</p> <ul style="list-style-type: none"> Assessing the possibility of copying data to SIT01 from SIT02. The assessment covers the effort, duration and cost for copying data to SIT01
Automatic Regression Testing	<ul style="list-style-type: none"> Assess SKAT existing Testing Tool QTP and develop recommendation for which tool is to be used for Regression testing. The assessment should clarify what the cost is in terms of licenses for extra users, and develop a roadmap for how QTP can be leveraged by SKAT and the suppliers

Table 6: Deliverables in Scope for Testing

6.4 Assumptions

- Project resources are available to ramp-up and start delivering according to proposed timeline – if resources are not available, it will have an impact on timelines
- Scope of Programme, Project and Service Management Project is limited to IT Development (Inddrivelse Funktionalitet) and IT Operations
- Management commitment to support the agreed timeline (participate in workshops and ensure that team members prioritize PPSM activities)
- Project will be given access to key stakeholders for interviews and workshops
- Time spent by Subject Matter Experts and Team members participating in workshops, training and providing input are not part of the estimates
- The timeline estimates assumes that approvals from Steering Group and Key Stakeholders are obtained in a timely manner
- Suppliers will support with reasonable effort in the creation of deliverables related to their delivery
- Suppliers will comply with the new processes and procedures implemented as part of the project
- Releases and Work Packages will be Analysed, Designed, Built and Tested according to IT Development Lifecycle standards
- Releases are expected deploy less frequent than monthly
- SKAT IT's ITSM-Remedy Tool will be used for IT Operations processes (Incident, Change etc.)
- For training of the system owners, final timeline for the training execution period might have to be adjusted once the KT Plan is created
- Estimates do not include ongoing support and optimization of processes and procedures implemented.

7 Appendix I

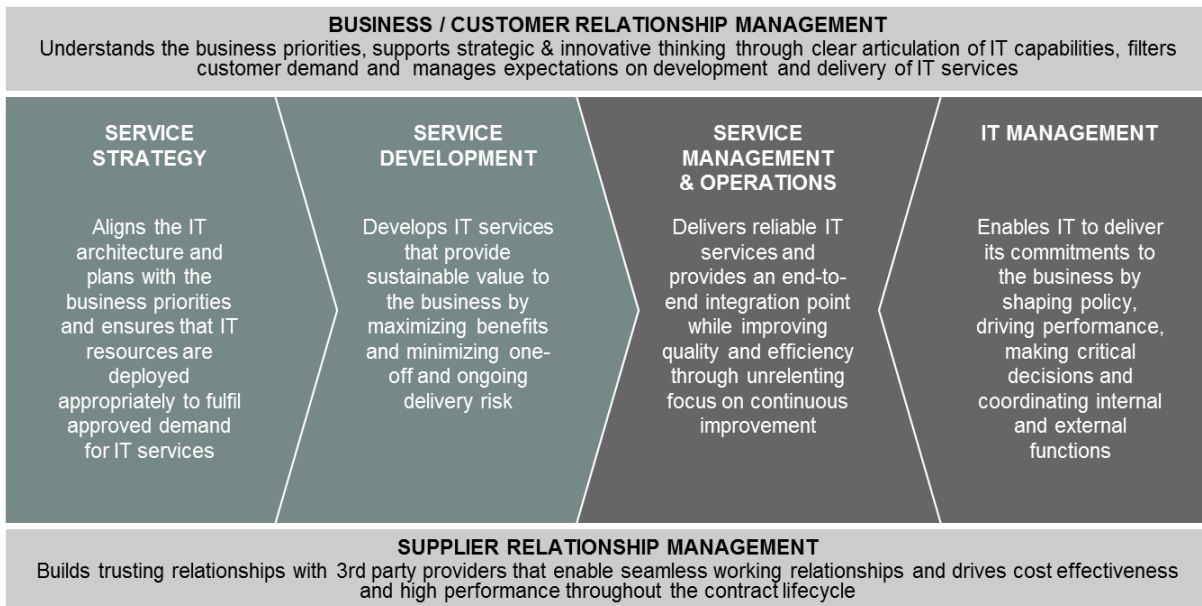


Figure 7: IT Operating Model

The IT Operating Model (described in chapter 3.1) was used as the foundation for the high-level assessment. With a few areas excluded from scope:

Out of scope (SKAT IT)

- IT Strategy & Planning
- IT Communications
- IT HR
- IT Risk & Assurance
- Service Portfolio Management
- Service Catalogue Management
- These functions and processes falls within the responsibility of the IT department and not the individual programs and projects

Not Applicable

- Design Coordination
- Analyse Requirements
- Design Service
- These processes were assumed to have been completed as part of development project

Supplier responsibility

- Design Solution
- Build/Configure Solution
- Service asset & Configuration Mgt.
- Availability Mgt.
- Capacity Mgt.
- Service Continuity Mgt.
- Since these functions and processes fall within the responsibility of the suppliers, they were considered out of scope

8 Appendix II

List of documents reviewed in Phase I: High-level Assessment

- EFI Governance
- EFI organisering (Opsplitning af EFI initiative)
- Initieringsdokument Automatisk Inddrivelse
- Initieringsdokument Forretningsprocesser Initieringsdokument Projekt drift
- Initieringsdokument Overdragelse til drift
- Overdragelse aktiviteter og dokumenter
- D10 - Overdragelse fra projekt til drift - skabelon
- Oversigt leverancespor
- EFI status uge 10
- Release statistik 2015-02-27
- Dagens defekt tal 2015-02-27
- Proces for økonomi styring
- PMO aktionsliste
- PMO Opgaveliste
- Defects, defect management and release management
- EFI Vagten – Arbejdsopgaver
- Opgave oversigt
- EFI Årsplan 2015
- Hovedtidsplan
- EFI driftsPSPnumre

9 Appendix III

List of documents reviewed in Phase II: Detailed Analysis and Recommendations

- Fælles Samarbejdshåndbog, vendor specific cooperation manuals
- EFI Governance (PMO)
- EFI organisering (Opsplitning af EFI initiative)
- Overdragelse aktiviteter og dokumenter
- D10 - Overdragelse fra projekt til drift - skabelon
- Oversigt leverancespor, project initiation documents
- EFI status reports
- Release statistik 2015-04-07
- Dagens defekt tal 2015-04-07
- Proces for økonomi styring
- PMO aktionsliste
- PMO Opgaveliste
- EFI Leverancespor PID skabelon
- Project Brief EFI
- Projektafslutningsrapport EFI
- EFI statusrapport vejledning
- EFI Statusrapport skabelon
- Projekt Initieringsdokument (PID) for Leverancespor
- Statusrapporter for Leverancespor
- EFI SP Vejledning
- Ressourceadministrationsprocessen v.1.0
- Vejledning til ressourcestyring I EFI v. 1.1
- Defects, defect management and release mangement
- EFI Vagten – Arbejdsopgaver
- Opgave oversigt
- EFI Årsplan 2015
- SKAT Metode: Projekt Portalen
- SKAT SWOT processes
- Tillæg C – Ansvar og Sammanhang (31.10.2008), from Rammeaftale med Konsortiet
Tillæg G – Vedligeholdelse (31.10.2008), from Rammeaftale med Konsortiet

- Ibrugtagningsaftalen (10.07.2013), from Rammeaftale med Konsortiet
- Time registration report
- EFI Programme resource list

10 Appendix IV

Interviews with EFI Programme team members during Phase I: High Level Assessment:

Interviewee	Assessment Area
[REDACTED]	EFI Programme Management
	Governance Model
	Automatic Production
	System Owner group (within EFI Programme)
	System Owners
	Incident management
	Transition to Operations (Delivery Track)
	Supplier Management
	Release Management
	Defect Management
	Processes and Communication
	Financial Management (Time reporting)
	Test Team
	Technical Architect Team
	Project Management
	Letter Team
	PMO
	Clarification meetings, following up on initial interview

Table 7: Overview over Interviews in Phase I

Interviews with EFI Programme team members during Phase II: Detailed Analysis:

Interviewee	Assessment Area
[Redacted]	EFI Programme Management team
	Test team
	Project Initiation & Project Management
	PMO
	SKAT IT Operations
	SKAT Method
	Financial Management (Time reporting)
	Governance Model
	Supplier Management
	Transition to Operation
	Defect Management
	System Owners
	Incident Management
	Release Management
	Change Management
	SKAT ITSM processes
	Clarification meetings, following up on initial interview

Table 8: Overview over Interviews in Phase II

11 Appendix V

Recommendation List – Assessment Criteria

Importance: Based on expected impact on people, outcome and quality

Urgency: Time criticality getting the recommended improvement in place; based on overall level of impact on deliverability

	Urgency	Importance
4 Supplier Contract Management	5	5
5 Cooperation Manuals (suppliers)	4	4
6 Supplier Governance	3	3
7 Supplier Performance Metrics	2	3
1 EFI Organization	4	4
2 EFI Governance	4	4
3 Training System Owners	3	3
9 Assess Delivery Tracks	3	4
22 Transition to Long Term Operations	2	4
10 Project Initiation Process	2	3
11 Portfolio Management	3	3
13 Project Management Framework & Deliverables	3	4
14 Financial Management	2	2
12 Knowledge Management	2	2
15 Release Management Process	4	4
16 Incident Management Process	2	3
17 Change Management Process	3	3
8 ITSM Tool Integration	2	2
18 Process & Documentation	3	4
19 Test Environment	3	4
20 Test Data	2	3
21 Automatic Testing	2	3

The importance of establishing an effective EFI Organisation (1), and EFI Governance (2) cannot be stressed enough. This is a continuing effort, that is key in solving any EFI-related issues.

Adding to this, both Release Management processes (15) and Incident Management processes (16) are critical to the success of a fully functioning IT Organisation.

Figure 8 Recommendation list